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Kenya Shippers Council 2nd Quarter Report for COMPETE Grant

April 1 – June 30, 2010

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P F Tracking Number:	KSC-STA-010-013
Title of Activity:	Achieve logistical competitiveness of Eastern Africa cargo owners through enhanced capacity of The Shippers Council
Start Date of Reporting Period:	1st April 2010
End Date of Report:	30th June 2010
Date Report Submitted:	15th July 2010

PILLAR/GOAL	ACTIVITY	OUTPUT	CONSTRAINTS/OBSTACLES
Institutional developments & sustainability	Recruited officers to head KSC pillars identified in the strategic planning session 1. Knowledge management 2. Member services 3. Membership Development 4. Institutional Development and Sustainability	1. Membership development officer- Agayo Ogambi 2. Economist/ Researcher- Humphrey Kisembe 3. IT/Web Content officer- Taigu Muchiri recruited and developed their individual work plans based on the overall work plan	Conducting interviews was time consuming and led to overruns in other grant

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Institutional developments & sustainability	Identify, rent and furnish KSC offices in Westlands, Nairobi	KSC office fully operational	Office space in Westlands is costly, suitable office took time to find.
Institutional developments & sustainability	Procure communication tools & equipment	Telephones installed, internet connectivity secured, external communication possible	External service providers do not necessarily deliver within agreed timeframes
Institutional developments & sustainability	Send out terms of reference for website development	Proposals for website development received	Process was dependent on reporting date of the IT/Web content officer
Knowledge Management/Advocacy- (Development of Regulation)	Engaged legal expert to work with KMA in drafting proposals towards CFS/CFA regulations	Developed regulations for clearing and Forwarding agents, container freight stations, shipping lines/agents, cargo consolidators.	Draft Regulations for 5 service providers developed. Currently with the AG Chambers for review.
Knowledge Management/Advocacy- (Quarterly meetings with service providers)	Held stakeholders meeting with KRA on procedures for AEO compliance Kenya Airports authority, Kenya maritime Authority	Members made aware of requirement of becoming an Authorized Economic Operator, agreement that KRA will publish the requirements on their website or in a handbook	Publishing of requirements has not taken place, KSC has no control of when this gets done
Knowledge management/Advocacy (Implementation of the National Single Window)	Held planned meetings with Ministries of Transport, & PIT on expedited implementation of the National Single Window System (NSW)	Constant engagement with PIT to plan sensitization workshops on NSW at Eldoret Busia, Malaba & Namanga Borders ; Met with Transport Minister who assured that outstanding cabinet memo will be approved at next seating of cabinet since both Ministers (Finance and Transport) had signed the joint memo.	Planned breakfast meeting (on June 14 th & 28 th) with all the key players did not taken place despite various invitations to the ministries as they were yet to sign memo that sets modalities of establishing the entity that will run the NSW; Ministry of Finance yet to agree on meeting
Knowledge management/Advocacy Advocacy for implementation of electronic systems	Held meeting with KRA and KPA on implementation of a manifest management system on 28 th June 2010 in our offices	Agreed to hold a stakeholders workshop on how the system will work and how to address usual downtimes of SIMBA 2005	Commitment of the two institutions will be important to see the progress through
Knowledge management/Advocacy	Held a Technical meeting with the Commissioner of Customs	Due to the capacity constraints of the supplier	There is alot of mis information out there that

PILLAR/GOAL	ACTIVITY	OUTPUT	CONSTRAINTS/OBSTACLES
	and Senior staff on implementation of ECTS on 17 th June 2010	shippers with commitments were given reprieve on installation as the deadline drew nearer i.e. 30 th June	requires to be cleared. Shippers are committed to the system and are willing to meet the costs as long as there are sufficient options and benefits.
Member Services- Members enjoy efficient and competitive services from all modes of cargo movement	Held dissemination workshop on the regulations developed for service providers	Shippers and their service providers had interactive session on how the regulations impact them	COMPETE procurement rules were not clear, therefore KSC could not utilize grant funds for this, but funded from internal resources
Member Services	Held awareness workshop on INCOTERMS and Transport logistics in Nairobi.	Appropriate use of INCOTERMS noted ,could save Importers and Exporters. Ps. Need for similar trainings nationally and Regionally.	Lack of in house capacity of trainers
Membership development- Increased membership base	Undertook a scoping mission in Uganda & Rwanda to identify and recruit new members from the region to the Council and gauge the acceptance of a regional shippers council	Met with major private sector organizations (PSOs) in both countries and agreed to draw up MoUs for future partnerships. Met individual importers and exporters who expressed interest to join the Council. MD officer to make follow ups	PSOs expressed concern about SCEA taking away their members and replicating their efforts which KSC team dispelled.

PENDING/UNDER WAY ACTIVITIES FOR THE QUARTER

ACTIVITY NO.	ACTIVITY	OUTPUT	CONSTRAINTS/OBSTACLES
Board Meeting		Direction on deliverables and activities, Issue of Regional Transformation	Staff Recruitment Process and Re-location. Retreat planned for August
Web Site Developed	Contract for the development of the Website has been awarded. Expected	Interactive SMS Website	Process of recruiting IT/Content Manager
Convene Single	Meeting with Sponsors of Single	Status on the	Un availability of Ministers of

ACTIVITY NO.	ACTIVITY	OUTPUT	CONSTRAINTS/OBSTACLES
Window Breakfast meeting with Relevant PS and PIT	Window	implementation status ascertained, agreement on way forward	Transport, Finance
Convene National Single Widow Stakeholder Forum	Update Stakeholders on progress, agree on implementation schedule	Implementation schedule agreed upon	Inability to convene Breakfast Meeting with the Sponsors of the National Single Window to finalize arrangement.
Set – Up Feedback tool/Occurance Book	Establish structure for members to report/record challenges, concerns issues	Members concerns documented and response tracked	Delay in recruitment of IT/Content manager and website development

General Observation

KSC is committed to ensuring that its planned activities are completed within the timeframes provided. There are many activities and deliverables that KSC is undertaking outside the Scope of the Grant and all that add up to the effectiveness of the Council. It is notable that despite the time taken by the recruitment process of officers, WE were able to attain the requisite staff to enable us deliver on the project. WE were able to undertake the planned activities within the timeframe provided despite the challenges. WE expect that the 3rd quarter will be more active as all the staff have now reported and taken up their functions.

Other milestones that the KSC has had in the quarter include their participation in the review of the Traffic Act, Axle load Regulations, re-structuring of the Kenya National Shipping Line, Visits to the weighbridges and border stations, review of the parking yards along the corridor and Official opening of Parts of Northern corridor by HE the President of the Republic. This is through the representation of the CEO as a board Member of the Kenya National Highways Authority. KSC also participate in other activities including the ESA BMO Network (East and Southern Africa) Business Membership Organization Network that brings together leading Associations in 11 countries to discuss and come up with policy to influence governments and RECs on policy formulation on Trade, Transport and Logistic in the region. KSC is in the Transport/Border Procedures Working group and the KEPSA Transport Sector Board.

Of major constraint is the fact that we can only be able to plan for activities on monthly basis based on the flow of the grant money. This challenge has been communicated effectively by COMPETE and the necessary adjustments have been done on our work plans. WE thank the Grant team for their continued support on and Commitment to see the grant project succeed.

Gilbert Langat, CEO.